

Exhibit No. 8Date 3-29-07Bill No. HB 820Amendments to House Bill No. 820  
Committee Study Bill Copy

Requested by Senator Trudi Schmidt

For the Senate Finance and Claims Committee

Prepared by GREG DEWITT  
March 28, 2007 (10:58am)

1. Page A-6, line 5.

**Strike:** "6,904,888 6,934,220" [general fund FY08 and FY09]**Insert:** "8,685,932 9,184,157" [general fund FY08 and FY09]**Strike:** "236,355 243,445" [state special revenue FY08 and FY09]**Insert:** "399,871 395,458" [state special revenue FY08 and FY09]

2. Page A-6.

**Following:** line 5**Insert:** "a. Compliance -- Audit and Collections (OTO) 78,500  
39,250" [general fund FY08 and FY09]

- END -

Explanation - This amendment provides funding to the executive budget level for present law decision package 7019 (Compliance - Audit & Collections in the Business and Income Tax Division of the Department of Revenue (pages A-187 and A-190 of the LFD Budget Analysis)).

The funding is for personal services and operating costs to add 23.00 FTE in FY 2008 and 33.00 FTE in FY 2009 to address several key compliance issues in areas such as pass-through entity audits, oil and gas tax audits, issues related to Montana source income, and issues associated with nonresident taxpayers. Funding would include \$1.0 million contracted services to hire specific experts for the targeted compliance areas. Of the funding, \$78,500 in FY 2008 and \$39,250 in FY 2009 are designated as one time only.

This amendment adds \$1,859,544 in FY2008 and \$2,289,187 in FY2009 of general fund and \$163,516 in FY2008 and \$152,013 in FY2009 of state special revenue for biennium totals of \$4,148,731 general fund, \$315,529 state special revenue, and \$4,464,260 total funds.